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TAGS: [PARM](#) [MTCRE](#) [PREL](#) [ETTC](#) [GM](#) [TW](#) [LN](#) [IR](#)

SUBJECT: GERMAN PROSECUTORS INVESTIGATING DELIVERY OF
GERMAN ENGINES TO IRANIAN UAV PROGRAM

REF: A. STATE 21966
[¶](#)B. 06 BERLIN 3380
[¶](#)C. 06 STATE 190812

Classified By: Global Affairs Counselor Donald R. Shemanski, for reason
s 1.4 (b), (c), and (d).

[¶](#)1. (S) German MFA Export Control Division Desk Officer
Andreas Kauke passed the following German-language non-paper
in response to the USG non-paper contained in ref A to Global
Affairs officer June 19. Kauke said this case was difficult
because the German firm Limbach Flugmotoren GmbH & Co shipped
the engines to the Dutch firm Aviation Services International
(ASI) in the Netherlands, from where they were then shipped
to Iran. The German firm claimed it did not need a license
to export the engines because the export was to a firm (ASI)
in another EU country. Kauke said German Customs authorities
notified Limbach that because these engines could be diverted
to military programs in Iran, Limbach needed to apply for an
export license, even if shipped to another EU country.
Limbach representatives said they had no knowledge that Iran
was the true end user, according to Kauke. Nevertheless,
German authorities, after beginning an investigation of
Limbach's shipment of 34 engines to Iran between March 2005
and October 2006, believed that Limbach was aware that Iran
was the true end user and therefore initiated legal
proceedings against the firm for violating the Foreign Trade
and Payments Act. The violation in this case is that Limbach
harmed Germany's external foreign relations by shipping
controlled technology to an end user that could use it for
military or WMD-related purposes. The German federal
investigation is still continuing, Kauke noted.

[¶](#)2. (S) Kauke also said the German Federal Economic and Export
Licensing Agency (BAFA) checked on the role that the Taiwan
firm, Prime Kit Enterprises, may have played in the delivery
of Limbach engines to end users in Iran or other parts of
Asia. BAFA could find no links between Prime Kit and the
delivery of Limbach engines to Iran; however, the Dutch firm
ASI did ship four Limbach-produced engines to Taiwan firms
between March 2005 and October 2006. ASI also shipped a
Limbach-produced engine to China Aerospace Science and
Technology Corporation (CASC) in September 2006. BAFA is
still investigating a connection between Prime Kit and ASI's
shipment of Limbach engines to the Taiwan firms and CASC, but
has found none so far. German Customs has been alerted to
intercept any shipments of dual-use technology to Prime Kit,
Kauke said. The German Government will inform the USG of
additional results of its investigations, according to Kauke.

[¶](#)3. (S) Begin unofficial embassy translation of text of
German-language non-paper:

Concerning the non-papers from November 22, 2006, (ref C)

given to us November 27, 2006, and from February 22, 2007, (ref A) given to us February 23, 2007, and my oral response to the Embassy on December 4, 2006, and February 23, 2007, about Iranian procurement attempts of engines from the firm Limbach Flugmotoren GmbH & Co., Koenigswinter, for the installation into UAV's, we take the liberty to bring the following information to the attention of U.S. authorities:

-- We thank you for the evidence related to the Iranian procurement attempt of engines from the German firm Limbach Flugmotoren GmbH & Co.

-- The investigations into the matter thus far have resulted in sufficient grounds for the Federal General Prosecutor to initiate proceedings on May 7, 2007, against the firm Limbach Flugmotoren for its yet undetermined responsibility in the suspected violation of the Foreign Trade and Payments Act, and the Federal Office of Customs Investigation is tasked with carrying out the criminal investigation.

-- The subject of the investigation is the unauthorized delivery of 34 engines of the L550E type to Iran through a transfer from the Dutch firm Aviation Services International (ASI) in the period from March 2005 to October 2006, in which it is presumed that the firm Limbach was aware that the motors would be installed for military usage and in UAV's or drones.

-- After the conclusion of the investigation, we will inform you of the results that we find. Be advised, however, that the investigation may last for some months.

We look forward to continued outstanding cooperation in the area of export controls.

End text of German-language non-paper.

¶4. (U) Post will report additional German response septel.
TIMKEN JR